

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6250

BILL NUMBER: HB 1148

NOTE PREPARED: Dec 28, 2005

BILL AMENDED:

SUBJECT: Account Numbers on Receipts.

FIRST AUTHOR: Rep. Crooks

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Credit Card Receipts:* The bill prohibits: (1) more than the last four digits of a payment card number; or (2) the payment card expiration date; from being printed on any receipt electronically generated in a transaction in which a payment card is used to obtain certain property or services.

It provides that the prohibition applies to a person that: (1) accepts payment cards for certain transactions; (2) provides processing software or hardware to enable that person or another person to accept payment cards; or (3) owns or operates an automated teller machine.

Effective Date: It specifies dates after which cash registers, automated teller machines, or other machines or devices that electronically print receipts must comply with the prohibition.

Enforcement: The bill allows a cardholder that receives a receipt that displays prohibited information to file a complaint with the Consumer Protection Division of the Attorney General's Office (Division). The bill also allows the Division to file a civil action if the Division determines that a violation has occurred. It allows a court hearing the matter to award certain relief.

Effective Date: Upon passage; July 1, 2006.

Explanation of State Expenditures: *Credit Card Receipts:* The bill could require state agencies that accept credit card payments to replace or modify equipment so that only the last four digits of the card number print and the expiration date does not print. There are no data to indicate how many state agencies may be affected, the amount of equipment that may be subject to replacement or modification, or whether the equipment could

be replaced without cost through regular replacement, switching out of leased equipment, or through similar circumstances.

Enforcement: The bill would have indeterminate increased costs for the Division to investigate complaints and determine the date equipment was put into use, adopt rules to implement investigations, and to bring actions against offenders. Depending on the administrative actions of the Division, the funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations, or (6) recoup of costs through court actions (see *Explanation of State Revenues* below). Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues: *Enforcement:* If civil actions brought by the Division result in civil penalties, revenues to the state General Fund could increase. The bill allows a civil penalty for a first violation of up to \$250 and a \$1,000 civil penalty for each subsequent violation. The penalty may be assessed against a person who accepts a credit card, provides credit card equipment, or who owns or operates an ATM or similar device, or shared among any or all of these. The bill also allows a court to award costs of the Division's investigation and civil action.

Explanation of Local Expenditures: *Credit Card Receipts:* The bill could require local units of government that accept credit card payments to replace or modify equipment so that only the last four digits of the card number print and the expiration date does not. There are no data to indicate how many local units of government may be affected, the amount of equipment that may be subject to replacement or modification, or whether the equipment could be replaced without cost through regular replacement, switching out of leased equipment, or through similar circumstances.

Explanation of Local Revenues:

State Agencies Affected: Consumer Protection Division of the Attorney General's Office; state agencies accepting credit card payments with electronic receipts.

Local Agencies Affected: Trial courts, city and town courts; Local agencies accepting credit card payments with electronic receipts.

Information Sources:

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